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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
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11 NAHID YAZDANPARAST,
12 Plaintiff,

13 v.

14 ASHLEY FURNITURE INDUSTRIES,
15 LLC, et al.

16 Defendants.
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Case No. 2:23-cv-03819-FLA (Ex)

**ORDER TO SHOW CAUSE WHY
THE ACTION SHOULD NOT BE
REMANDED FOR LACK OF
SUBJECT MATTER JURISDICTION**

1 Federal courts are courts of “limited jurisdiction,” possessing only “power
2 authorized by the Constitution and statute[.]” *Kokkonen v. Guardian Life Ins. Co. of*
3 *Am.*, 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. Courts are presumed to
4 lack jurisdiction unless the contrary appears affirmatively from the record. *See*
5 *DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 n. 3 (2006). Additionally, federal
6 courts have an obligation to examine jurisdiction *sua sponte* before proceeding to the
7 merits of a case. *See Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999).

8 Federal courts have jurisdiction where an action arises under federal law or
9 where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the
10 amount in controversy exceeds \$75,000, exclusive of interest and costs. 28 U.S.C.
11 §§ 1331, 1332(a). Thus, a notice removing a case from state court to federal court
12 must include “a plausible allegation that the amount in controversy exceeds the
13 jurisdictional threshold.” *Dart Cherokee Basin Operating Co., LLC v. Owens*, 574
14 U.S. 81, 89 (2014). Where “the plaintiff contests, or the court questions, the
15 defendant’s allegation” concerning the amount in controversy, “both sides [shall]
16 submit proof,” and the court may then decide whether the defendant has proven the
17 amount in controversy “by a preponderance of the evidence.” *Id.* at 88–89. “Federal
18 jurisdiction must be rejected if there is any doubt as to the right of removal in the first
19 instance.” *Gaus v. Miles, Inc.*, 980 F.2d 564, 566 (9th Cir. 1992).

20 The court has reviewed Defendant Ashley Furniture Industries, LLC’s Notice of
21 Removal (Dkt. 1) and it is not clear the court has subject matter jurisdiction over this
22 action under 28 U.S.C. § 1332(a). In particular, and without limitation, the court
23 notes that the Notice of Removal contains scant evidence of the amount in
24 controversy.

25 The parties are ORDERED TO SHOW CAUSE, in writing only, within
26 fourteen (14) days from the date of this Order, why this action should not be remanded
27 for lack of subject matter jurisdiction because the amount in controversy does not
28 exceed the jurisdictional threshold. Responses shall be limited to ten (10) pages in

1 length. Failure to respond timely or adequately to this Order to Show Cause may
2 result in the court remanding this action without further warning. The court will
3 provide Plaintiff leave to amend in the event the court's Order to Show Cause
4 regarding subject matter jurisdiction is discharged.

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6 IT IS SO ORDERED.

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8 Dated: July 10, 2023

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11 FERNANDO L. AENLLE-ROCHA
12 United States District Judge
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